



DEMOCRATIC MEMBERS

JOINT COMMITTEE ON FINANCE

Analysis of Legislative Fiscal Bureau 2015-17 Budget Summary

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PUBLIC INSTRUCTION – K-12

Tryg Knutson (Erpenbach) & Adrienne Roach (C. Taylor) & Michelle Bryant (L. Taylor)

GENERAL SCHOOL AIDS AND REVENUE LIMITS

General School Aids (Equalization)

\$0 increase 2015-16 GPR
\$108 million 2016-17 GPR

Integration Aid (Chapter 220)

- Prohibits any new Chapter 220 participation.
- New school board agreements allowed ONLY for students in program for 2014-15 year.
- In 2014-15, four districts (Milwaukee, Racine, Madison & Wausau) are eligible for \$44.8 million in gross intradistrict aid.
- Milwaukee Public School intradistrict hold harmless no longer applies after 2023-24.
- Interdistrict transfer agreement – receiving district is paid amount equal to average net cost per pupil for each transfer accepted. In 2014-15 Milwaukee and 21 suburban districts are eligible for \$20.5 million in gross interdistrict aid.
- Integration aid funding is the first draw from the general school aids appropriation. Less integration aid being distributed should result in more equalization aid formula dist.
- It is possible that 4 year old kindergarten student participating in program in 2014-15 could continue in the program until 2027-28.

School Levy Tax Credit

\$105.6 million 2015-16 GPR
\$105.6 million 2016-17 GPR

- Property tax relief - \$5 per year for the average homeowner.

Revenue Limit Per Pupil

Zero increase 2015-16 GPR
Zero increase 2016-17 GPR

CATEGORICAL AIDS

Per Pupil Aid

-\$127 million 2015-16 GPR
\$141.9 million 2016-17 GPR

- Big cut the first year for school districts
- Year two funding is one time funding
- New funding is mostly property tax relief
- Funding sustainability created with this model – creating a rollercoaster for school districts.

Sparsity Aid

\$4.2 million 2015-16 GPR
\$4.2 million 2016-17 GPR

- 20% free or reduced lunch pupil requirement is eliminated.
- This funding provides full funding for the program based on DPI estimates.

High Cost Transportation Aid

\$2.5 million 2015-16 GPR
\$2.5 million 2016-17 GPR

- School districts with population density of 50 pupils per square mile or less eligible for aid.
- Calculation done by dividing previous school year pupil count by district area in square miles.
- DPI calculates that 4 districts would lose their current eligibility based on this formula.

Pupil Transportation – Independent “2R” Charter Schools

\$250K 2015-16 GPR

\$250K 2016-17 GPR

- Allows these Charter Schools to receive aid for pupil transportation aid.
- Current law has only public schools eligible for this aid.

Pupil Transportation – Reimbursement Rates

- Reimbursement rate for pupils transported over 12 miles between home and school increased from \$275 to \$300 per pupil beginning with the 2015-16 school year.
- No funding associated with change – estimated that base level funding will be sufficient for the higher rate.

Delete Career & Technical Education Incentive Grant

-\$3 million 2015-16 GPR

-\$3 million 2015-16 GPR

- Under the program school districts are eligible for \$1,000 payment per pupil who graduates from a high school in the district with an industry-recognized certificate in addition to a high school diploma or technical education diploma.
- Instead the bill provides additional funding in a workforce training grant in DWD.

Reestimate School Library Aids

\$2 million 2015-16 SEG

\$4 million 2016-17 SEG

- Revenues are from interest earned on the segregated common school fund.

Delete State Aid to Cooperative Educational Service Agencies (CESAS)

-\$260K 2015-16 GPR

-\$260K 2016-17 GPR

- Deletes GPR Funding for the program, BUT allows a state payment not exceeding \$25,000 annually to each CESA to match federal vocational education administration funds.
- Deletes current law requiring school board participation.

School District Participation in CESAS

- Through resolution – allows school districts to withdraw from a CESA.

Alternative Determination of Pupil Economic Status

- Allows DPI to use alternative data collection method beyond free and reduced lunch, including: School day milk program, Sage, Transportation costs, high poverty aid distributions, etc.

CHOICE, CHARTER, AND OPEN ENROLLMENT**Milwaukee Private School Choice Program**

\$7,082,200 2015-16 GPR

\$14,425,200 2016-17 GPR

- Increase in pupil participation from 25,905 pupils in 14-15 to an estimated 26,905 pupils in 15-16 and 27,905 pupils in 16-17.

Racine and Statewide Private School Choice Programs

-\$2,144,100 2015-16 GPR

-\$2,144,100 2016-17 GPR

- Any payments for pupils who participate in the Racine or statewide choice programs in the 2015-16 school year or any year thereafter would be paid out of the appropriation for general school aids.

Milwaukee Private School Choice Program – Per Pupil Payments

- Sets the maximum per payment for the Milwaukee private school choice program equal to \$7,210 for a pupil in grades K-8 and \$7,856 for a pupil in grades 9-12 in 2015-16 and 2016-17.

Racine and Statewide Private School Choice Programs – Per Pupil Payments for Students Participating Before 2015-16

- Set the max per pupil payment equal to \$7,210 for a pupil in grades K-8 and \$7,856 for a pupil in grades 9-12 in 2015-16 and 2016-17.

Private School Choice Programs – Delete Educational Costs Limit on Payment

- Changes law to make per pupil payments, to all private choice schools, equal to the statutory amount.

Delete Participation Limits on Statewide Private School Choice Program

- Ends limits on participation, in any school district, to one percent of the district's total enrollment.
- Allows students awarded a slot in a participating private school in 2015-16 or on a waitlist in that year to be exempt from reapplying for a slot by the private school or by DPI.
- Ends waiting lists for participation in program.

Statewide Private School Choice Program – Initial Eligibility Requirements

- Participation eligibility begins in the 2015-16 school year.

Private School Choice Programs – Student Priority

- Provides criteria for preferential treatment in accepting applications, beginning in the 2016-17 school year.

Racine and Statewide Private School Choice Programs – Per Pupil Payments for New Participants

- Establish a procedure that participating students in the 2015-16 school year or later would be funded from the general school aids appropriation.
- For each incoming choice pupil, DPI must pay to the private school in which the pupil is enrolled an amount from the general school aids appropriation.

Racine and Statewide Private School Choice Programs – Treatment for Equalization Aid

- For the purpose of calculating equalization aid beginning in the 2016-17 aid year, a school district's student count would include the number of incoming choice students living in the district who are attending a school participating in the Racine and statewide choice programs in the current school year and who did not participate in those programs before the 2015-16 school year, as reported to the Department by those schools.

Private School Choice Programs - Assessments

- Modify current law to require only private schools attended by at least 20 private school choice program pupils to administer assessments to pupils attending under a choice program.
- Require private schools participating in a private school choice program to annually report to DPI the scores of choice pupils on all standardized tests adopted or approved by the State Superintendent or required for public school pupils under federal law for each of the previous five school years.
- VARC would be required to provide the statistically equated assessment data to the governing body of the private school and to DPI for use in the school's accountability report.
- Require that a private school participating in a choice program excuse private choice program pupils from assessments at the request of the pupil's parent or guardian.

Milwaukee and Racine Private School Choice Programs – Income Eligibility Verification

- Family income of a student who applies to attend would not need to be verified if the student attended a private school under the statewide private school choice program in the previous school year.

- Removes federal poverty level guidelines previously used.

Private School Choice Programs

Independent Financial Audits

- Require audit submitted to be prepared in accordance with generally accepted accounting principles, as modified by DPI.
- Delete current law that specifies that the audit must be limited in scope to those records that are necessary for DPI to make payments to the school.

School Notice of Participation Date

- Change the date to be January 10 of the previous school year, rather than February 1, by which a private school must:
 - Notify the State Superintendent of its intent to participate in a private school choice program;
 - specify the number of pupils for which it has space; and
 - pay the auditor's fee.

Teacher and Administrator Requirements

- Change requirements to allow teachers to qualify with a teaching license issued by DPI, as an alternative to the currently required bachelor's, master's, or doctorate degree from an accredited institution of higher education.
- Allow administrators to qualify with a teaching or administrator's license issued by DPI, as an alternative to the currently required bachelor's degree from an accredited institution of higher education.

Grade Information Provided to DPI

- Delete current law requiring private choice schools to annually provide DPI with student enrollment numbers for the past 5 years, who 4th, 8th, and 12th graders, and the number of those students who were promoted to the next grade or graduated from high school.

Eliminate Pupil Assignment Council

- Delete provisions establishing a pupil assignment council, who under current law, made recommendations on the achievement of a balanced representation of pupils participating in the private school choice programs.

Independent "2R" Charter School Reestimate

\$2,422,500 2015-16 GPR

\$6,460,000 2016-17 GPR

- The reestimate assumes that 9,000 pupils in 2015-16 and 9,500 pupils in 2016-17 will participate in the current program at the per pupil payment of \$8,075 in 2015-16 and 2016-17.

Independent "2R" Charter School Per Pupil Payment

- Specify that the per pupil payment for independent "2r" charter schools in the 2015-16 and 2016-17 school years would equal the payment amount for 2014-15, and that the current law indexing mechanism would apply beginning in 2017-18.

Charter School Oversight Board

\$4,037,500 2016-17 GPR

- Create Board and give authority to approve independent "2r" charter school authorizers that could establish such schools statewide.
- Board would be attached to DPI for administrative purposes and consist of the State Superintendent, or his or her designee, and 10 other members that would be appointed for staggered, three-year terms. Chairperson of the Board would be appointed by the Governor.

- Require other appointees have diverse business experience in non-profits and for-profits, geographically diverse and experience in public education, instruction and management.
- Provide that any nonprofit, nonsectarian organization or consortium of such organizations approved by the Board could become an independent charter school authorizer.
- Provide that any independent charter school authorizer may contract for the operation of a charter school located anywhere in the state. Delete the current law residency restrictions that generally require a pupil to reside in Milwaukee County or an adjacent county in order to attend an independent charter school.
- Provide that a contract with a school board or an independent charter school authorizing entity may provide for the establishment of more than one charter school, and a charter school governing board may enter into more than one contract with a school board or independent charter school authorizing entity.

Charter School Authorizing Entity Duties

- Require that a school board that has authorized a charter school, or an entity authorized to contract to establish independent "2r" charter schools, do all of the following:
 - solicit and evaluate charter school applications;
 - approve only high-quality charter school applications that meet identified educational needs and promote a diversity of educational choices;
 - monitor the performance and compliance with state charter school law of each charter school with which it contracts, and
 - submit an annual report to the State Superintendent and Legislature.

Contract Requirements for Independent "2R" Charter Schools

- Require contracts between the governing boards of independent "2r" charter schools and their authorizers adhere to specified annual academic and operational performance standards, a provision detailing corrective measures if school fails to meet performance standards, the methodology that will be used to monitor and verify pupils, allow the authorizing entity to have access to pupil data, and other requirements.

Charter School Governing Boards

- Require each charter school to be governed by a governing board that is a party to the contract with the authorizing entity.
- Require less than half of the governing board's members be employees of the charter school or employees or officers of the school district in which the charter school is located.

Charter School Admissions

- Require that if the capacity of the school is insufficient to accept all pupils who apply, the school would have to accept pupils at random.

Open Enrollment Transfer Amount

- Open enrollment transfer amount in the 2015-16 and 2016-17 school years would equal the transfer amount for 2014-15, and the current law indexing mechanism begins in 2017-18.
- In 2014-15, the transfer amount is \$6,635 per pupil.
- Under the current law indexing mechanism, the transfer amount would remain unchanged in 2015-16 and increase by an estimated \$170 per pupil in 2016-17 under the revenue limit and categorical aid provisions of the bill.

DISTRICT OPERATIONS AND STANDARDS

Educational Standards

- Prohibit State Superintendent from requiring any school board to utilize any academic standard developed by the Common Core State Standards Initiative. Requires parent or guardian notification annually of district academic standards.

School Accountability Reports

- Sets up School Accountability Reports with defined categories.
- Requires weighted formula regarding length of school enrollment before assessment.
- Math and Reading scores weighted by # of economically disadvantaged enrolled.
- Requires the reports for independent “2r” charter school and private schools in a private school choice program in 2015-16 school year.

Notice of Educational Options

- Requires school districts to host internet links to all educational options available to students.

Whole Grade Sharing

- Allows school districts to share grade level at one district, so other does not have to provide.
- Specific set of rules set up for operation of this.

Renewal of Child Care Program Contract

- Deletes requirement that a school board refer a child care provider to DCF for a criminal history and child abuse record search when renewing a contract for the provision of a child care program. Only applies to new contracts.

ADMINISTRATIVE AND OTHER FUNDING

State-wide Pupil Assessment

\$3.5 million 2015-16 GPR

\$4.5 million 2015-16 GPR

- Implements the ACT Assessment and Dynamic Learning Assessment for pupils with disabilities as the State Assessment Program.
- Prohibits use of the Smarter Balanced Assessment Consortium.

Alternative Assessment

\$750K 2015-16 GPR

\$750K 2016-17 GPR

- Funds and charges the UW-Madison Value Added Research Center (VARC) with investigating and developing list of nationally recognized, norm-referenced alternative assessments.

Eliminate Statewide Pupil Assessment in Fall of Ninth Grade

- Deletes fall testing requirement for ninth grade assessment. ACT Aspire early high school assessment still administered in both fall and spring of 9th Grade year.

State Data Center Hosting

\$175K 2015-16 GPR

\$175K 2016-17 GPR

- Will pay for technical support services provided by DOA’s Division for Enterprise Technology, which houses a centralized hosting system for the Wisconsin Information Systems for Education (WISE) software programs.
- This is student data information.

Federal Revenue Reestimates

\$205 million FED

- The reestimate reflects federal funding that exceeds the amounts currently shown in the appropriation schedule.

Badgerlink

\$245K 2015-16 SEG

\$305K 2016-17 SEG

- The additional funds will maintain current contracts with vendors for online access materials, including the contract with the WI Newspaper Assoc. (which is being re-bid in yr. 2)

Alternative Teaching License

- Require the State Superintendent to grant a teaching license to an individual who meets all of the following requirements:
 - has a bachelor's degree;
 - demonstrates proficiency in subject by passing DPI approved exam;
 - and has DPI determined relevant experience in the subject area or areas to teach.
- License valid for grades 6-12 only in the subject area approved.
- License valid for 3 years, renewable for 3 year periods.
- DPI already has alternative routes to teaching – those licenses are non-renewable.

HIGHER EDUCATION

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UW SYSTEM

GPR Base

-\$150 million 2015-16 GPR

-\$121 million 2016-17 GPR

- Repeal appropriation for UW System Administration July 1, 2016.
- \$7.5 million in related funding 2016-101.

GPR Expenditure Authority for new UW System Authority

- Effective July 1, 2017.

Tuition Freeze

- Tuition freeze for UW Institution or UW Colleges Campus for 2015-16 & 2016-17 academic years (2-year freeze).

Reestimates

GPR Debt Service

-\$13.6 million 2015-16 GPR

-\$25 million 2016-17 GPR

\$240.8 million Annual Base

PR Debt Service

-\$18.3 million 2015-16 GPR

\$155.4 million Annual Base

Tuition Reserves

\$75.8 million 2015-16 GPR

- Attributable to 3 areas:
 - Enrollment increase \$43 mil.
 - Increases in revenue generated by self-supported programs \$16.7 mil.
 - Differential tuition increases \$16 mil.

Payment to MA Trust

- Requires IGT transfer of \$20 million - \$10 million each year of biennium.
- New UW Authority will be required to transfer up to \$30 mil. annually to the MA Trust.

Deletes:

| | | |
|--|---------------------------|-------------|
| A. Wisconsin Bioenergy Initiative | -\$8.1 million SEG | -35.20 FTE |
| B. Environmental Education Board/Grants | -\$461K SEG | |
| C. Solid Waste Research Funding | - \$312K SEG | -1.00 FTE |
| D. Extension Recycling Education Funding | -\$788K SEG | -4.00 FTE |
| E. UW PR & Federal Appropriations | -\$2.845 billion PR | |
| | -\$1.812 billion FED | |
| F. Trust Fund Income Appropriation | -\$26.8 million SEG | -122.23 FTE |
| G. Telecommunications Services | -\$1 million SEG | |
| H. Rural Physician Residency Assistance Prog. | -\$755K SEG | -3.62 FTE |
| I. Physician & Dentist & Health Care Provider Loan Assistance Programs | -\$488K PR -\$250K SEG | |
| J. Rural Health Development Council-advises Bd of Regents on Loan Assistance Programs | | |
| K. Fertilizer Research Funds | -\$446K PR | |
| L. Aquaculture Demonstration Facility | -\$417K PR | |
| M. Environmental Program Grants & Scholarships | -\$301K SEG | -1.00 FTE |
| N. Discovery Farm Grant Program | -\$249K SEG | -1.20 FTE |
| O. Oneida Programming at UW-Green Bay | -\$247K PR | |
| P. Center for Cooperatives | -\$134K SEG | -1.00 FTE |
| Q. Outdoor Skills Training Agreement | -\$54K PR | |
| R. Great Lakes Fish Studies | -\$52K PR | |

Minnesota-Wisconsin Student Reciprocity

-\$12.2 million GPR-REV

- Transfers authority for reciprocity for HEAB to new UW System Authority Board of Regents.
- Makes entering into such agreement optional, instead of required as under current law.
- Places all financial transaction with UW System Authority and State of Minnesota

Transfer State Laboratory of Hygiene to DATCP

| | | |
|--------|--------------------|-------------|
| | -\$11 million GPR | -131.25 FTE |
| | -\$23.5 million PR | -178.50 FTE |
| Totals | -\$34.5 million | -309.75 FTE |

Transfer Veterinary Diagnostic Laboratory to DATCP

| | | |
|--------|--------------------|------------|
| | -\$5 million GPR | -77.90 FTE |
| | -\$5 million PR | -12.60 FTE |
| | -\$1.5 million FED | -4.00 FTE |
| Totals | -\$11.5 million | -94.50 FTE |

CREATE UW SYSTEM AUTHORITY**Convert UW System to UW System Authority****Positions**

- 18,233.61 GPR
- 10,722.97 PR
- 5,579.63 FED

TOTAL - 34,526.21

- Create the UW System Authority as a public body corporate and politic and the UW System to the UW System Authority on July 1, 2016.
- Current members of the Board of Regents will continue to serve out their terms. New members will be selected using the same process as under current law.
- All assets and liabilities of the UW System will transfer to the UW System Authority at that time.
- Deletes a requirement that the Board of Regents make all reasonable effort to provide night courses.

UW System Authority Board of Regents

- Grants the Board of Regents authority to enact policies without being required to follow the administrative rules process.

Establish UW System Mission

- Establish mission as being to develop human resources to meet the state's workforce needs; to discover and disseminate knowledge; and to develop in students heightened intellectual, cultural, and human sensitivities, science, professional, and technological expertise, and a sense of purpose.

Future GPR Funding Levels

- Establishes annual base funding of the UW System Authority to be \$753.5 million from GPR in 2017-18 and will be indexed according to CPI-U beginning 2018-19.

Payment to Municipal Services

- Requires the UW System Authority to make all future municipal services payments, currently paid by DOA.

Employee Participation in WRS and Group Health and Salary Deductions

- Employees will continue to participate in WRS, group health and other programs administered by the Department of Employee Trust Funds.

Authority to Set Employee Salaries

- Allows the Authority to establish employee salaries.

Delete Language Related to Faculty Tenure and Probationary Appointments

- Removes tenure from statute.

Collective Bargaining for Certain Employees

- Specifies employees would not be subject to State Employment Labor Relations law, but rather the Municipal Employment Relations law. This ensures UW employees cannot join a union.

Sabbatical Leave

- Removes sabbatical leave from statutes.

Whistleblower Law

- UW employees not subject to state whistleblower protections.

Oversight by the State Building Commission

- Only GPR funded building projects would be subject to the Building Commission.
 - This gives the UW greater ability to manage its other building projects

Delete Eligibility for DOA Energy Conservation Projects

- State renewable energy goals would not apply to the Authority.

Deleted Current UW System State Laws Related to:

- Shared Governance
- UW System Administration
- Restrictions on uses of GPR

- Tuition remissions for needy, worthy foreign students and athletes
- Minority and disadvantaged student programs (Minority Undergraduate Recruitment Grant, Advanced Opportunity Program) including requirement to have a recruitment and retention plan for minority and disadvantaged students.
- Provisions related to financial aid
- Academic fee increases and study abroad grants
- Provisions related to public broadcasting
- Health programs in rural and underserved urban areas
- Application fees
- Soil and water conservation
- Tuition and fee bills disclosure
- Sexual assault information and reporting
- Requiring reimbursements received by HEAB for remissions to certain veterans or their families be used for degree credit instruction

WISCONSIN TECHNICAL COLLEGE SYSTEM

Eliminate Long-term Vacancies

FED -2.00 FTE
PR -1.00 FTE

- Positions open 12 months or more.

DOA Shared Services

GPR -2.50 FTE
FED -0.50 FTE

- Eliminates WTCS administrative functions and staff positions and moves them to DOA
- WTCS will no longer manage or control its own data projects need for district, state and federal reporting

Information Technology Services To DOA

GPR -2.00 FTE
FED -4.00 FTE

- Removes IT functions from WTCS and forces them to purchase back services from DOA.
- Double Whammy – they lose the positions- then have to expend additional funds for services at a direct cost of estimated \$835,000 minimum annually.

Increase Performance Based Funding Allocation

- Requires System Board to increase percentage of general state aid allocated to technical colleges based on each district's performance. The current 30% requirement would go to 40% for 2015-16, and then 100% in 2016-17.
- The 30% cap incentivizes excellence without creating significant funding losers and winners unrelated to performance. Moving to 100% will force districts to act defensively to protect base funding. Also – colleges do many important things within their mission that are not accounted for by the 9 outcomes-based criteria.

Additional Performance Based Funding Criterion

- 10th criterion created – would allocate funding based on the development and implementation of a policy to award course credit for relevant educational experience or training not obtained through an institution of higher education, including skills training received during military service.

Tuition Freeze for High Demand Fields

- Restrict program fee increases for courses in high-demand fields, as determined by DWD.

Joint Self-Insured Plans

- Allow 2 or more technical college districts that together have at least 100 employees (all districts do) to jointly provide health care benefits to their officers and employees on a self-insured basis, procure stop-loss insurance, or self-insure stop loss risk.

Eliminate Educational Approval Board

- \$1.4 million PR

- 6.50 FTE

- Delete \$711,800 PR and 6.50 PR positions annually by eliminating the Educational Approval Board, effective January 1, 2016.
- Transfer to DFIPS:
 - Authorization of proprietary schools seeking federal funding
 - Maintaining student records
 - Creating rules and establishing standards necessary to fulfill these duties
- Requires DFIPS to issue written authorization to proprietary school doing business in WI.
- Transfers to DATCP functions relating to consumer protection, including authority to investigate complaints.
- Repeals all the various functions of the board – without moving them directly either to DFIPS or DATCP.
- Deletes the provisions requiring an individual selling any course or course of instruction or soliciting students for such to obtain a solicitor's permit.

HIGHER EDUCATION AIDS BOARD

Minnesota-Wisconsin Student Reciprocity

- \$7.2 million GPR

- This is the UW Authority Transfer.

Wisconsin Covenant Scholars Grant

\$7 million GPR

- \$3 million in 2015-16, \$4 million in 2016-17.
- Total funding \$15.1 million in 2015-16, \$16.1 million in 2016-17
- Grants range from \$125 to \$1,500 based on student need and enrollment status.
- The last class of students in 8th grade in 2015-2016 can enroll - program will end in 2020-21.

Technical Excellence Higher Education Scholarships

\$2.6 million GPR

- Created in 2013 Act 60 – provides scholarships of \$2,250 to high school seniors with the highest levels of proficiency in technical education subjects beginning in 2015-2016 year. ½ funded by GPR - the other half by accepting technical college.

Information Technology Services By DOA

GPR - 3.00 FTE

- Again, eliminates positions – force HEAB to contract back with DOA.

DOA Shared Services

- Human resources, Payroll services, finance services, budget services, procurement services.

HEALTH CARE

Kelly Becker (Erpenbach) & Michelle Bryant (L. Taylor)

MEDICAID

Medicaid Cost to Continue

- Increases GPR by \$647.6 million for MA cost-to-continue.

DSH (Disproportionate Share Hospital Payments)

- \$30 million GPR
- There is a slightly different formula this biennium than the last.

Rate decrease for Federally Qualified Health Centers (FQHCs)

- State saves \$9.9 million in GPR and loses \$14.8 million in FED by changing the way they reimburse FQHCs.

Require an Independent Assessment for Personal Care Services

- The state assumes a \$7.5 million savings by requiring an independent assessment (someone other than the agency providing services) of personal care needs. State also loses \$11.9 million FED and one position.

MA Dental Pilot Program

- Provides \$11.5 million over the biennium for Polk, Racine, and Brown Counties for pediatric dental care and adult emergency dental care reimbursement increases. (Program would need a waiver, and DHS will create the program)

Add Certified Midwives to MA provider List

- State assumes savings of \$813,000 by having Midwives replace some physician and hospital costs.

Add residential substance abuse treatment services to MA coverage

- This would create a new definition of “medically monitored treatment service” and “transitional residential treatment service” and is estimated to cost \$7.9 million over the biennium by serving 800 MA recipients in 15-16 and 1,600 in 16-17.

Reimburse pharmacists for administering vaccines to kids aged 6-18

- This would need a plan amendment. No fiscal impact attached. There is also a requirement that pharmacists update state immunization registry records to reflect vaccines administered.

Create the Division of Medicaid Services

- Reduction of \$588,400 FED (Social Services Block Grant) by consolidating the Division of Health Care Access and Accountability and MA funded long-term care programs administered by the Division of Long Term Care.

Changes to Medicaid Eligibility

- New BadgerCare Plus Childless Adults Premium
- Even higher premiums for “risky behavior”
- Mandatory Health Risk Assessment
- Limit benefit to 48 months.
- Mandatory drug screening
 - The cost or savings of the drug screening provision are not calculated in this budget, they are pushed into the next biennium.
- Count Promissory notes as assets when determining eligibility
 - Savings of \$750,000 by including promissory notes (a common way for individuals to divest) as an asset, and include a divestment penalty period.
- Three month waiting period for coverage eliminated.
 - Currently kids in households with income above 133%FPL, and certain pregnant women in the BC Plus prenatal program still have a waiting period. This budget removes it so that the waiting period no longer exists for anyone.

FOOD SHARE

Drug testing for use of controlled substances without a valid prescription

- Cost or savings pushed off into 2017-2019.

Provides \$1.5 million annually for DHS to give FSET vendors “incentive bonuses” to retain or attract local funding.

LONG TERM CARE

- Requires SeniorCare Enrollees to first enroll in Medicare Part D
 - Saves \$15 million GPR
- Move all Independent Living Center grant functions to DHS.
 - (Now DWD and DHS)
- Creates Children’s Community Options Program
 - Long term care program for children with severe disabilities.
- One time funding of \$960,000 GPR in 2016-2017 to ADRCs for dementia care specialists

Life Insurance and Funeral and Cemetery Aids

- States that if a recipient, their spouse, or another person owns a life insurance policy insuring the recipient’s life and it is more than \$3,000 DHS can reduce the amount paid for expenses by one dollar for every dollar over \$3,000.
- **REQUIRES** DHS to pursue estate recovery for funeral and cemetery aids and **PROHIBITS** from waiving the recovery even if it constitutes an undue hardship.

Provide 3 additional ombudsmen to the Board on Aging and Long Term Care to deal with Family Care changes. (\$82,500 FED)

FAMILY CARE

- Expands Family Care Statewide in 2017.
- Eliminates IRIS (Self Direction Allowed in Family Care).
- Privatizes Aging and Disability Resource Centers.
- Managed Care Organizations (MCOs) providing Family Care must now be statewide entities providing acute, long-term, and primary care as well as transportation and self-directed services.
- Moves oversight of the MCOs to OCI where they will be regulated like insurance companies (begins in 2018).
- OCI can refuse to disclose information obtained through reports and examinations of these statewide MCOs limiting consumer protection.

MENTAL HEALTH

- Provide one time funding in 2015-2016 for DHS to distribute grants to counties for mental health crisis services (\$1.5 million).
- There are not specific requirements created for the use or allocation of these funds though it is assumed to be related to the statutory changes on emergency detentions below.

Office of Children’s Mental Health

- The Director of the Office of Children’s Mental Health will now be appointed by the Secretary of DHS and serve at his or her will, rather than be appointed by the Governor as is current law.

- County Human Service Department may not approve an emergency detention for mental illness, drug dependency, or developmental disability unless a physician who has completed a residency in psychiatry, a licensed psychologist, or a mental health professional has performed an assessment and agrees for the need for detention.
- Repeal Milwaukee County emergency detention pilot and special procedures allowed in Milwaukee County for emergency detention and require their procedures be the same as the rest of the state.
- Expand the statutory purpose of community aids program to include community mental health services.
- Consolidation of several current programs into one.

- Regulatory Responsibility of Food, Lodging, and Recreational establishments goes to DATCP.
- Regulatory Responsibility of tattooing, body piercing, and tanning establishments goes to DFIPS (new DFI/DSPS).
- DHS receives plan review responsibility of hospice facilities from DSPS.
- DHS receives administration of the pretrial intoxicated driver intervention program from DOT.

- The elimination of the rural physicians residency program (\$755,300).
- The elimination of loan assistance for docs and dentists who practice in rural areas (\$738,000).
- The elimination of the rural health development council that advises the Board of Regents on the loan assistance program for docs and dentist.

Michelle Bryant (L. Taylor) & Adrienne Roach (C. Taylor)

- Reduce funding by \$365,200 in 2015-16 and increase funding by \$1,636,800 in 2016-17 to reflect the projected costs of aids, operations, and reorganizational expenses of BMCW.

-\$3,539,600 FED 16-17

- Based upon re-estimate of state adoption, foster care, and subsidized guardianship caseloads and federal claiming rates.
- Reduction in state spending would be repurposed to fund anticipated increases in special needs adoptions

- Clarifies that the process for extending out-of-home care also applies to persons in shelter care placements on the date the juvenile court's order expires.

Transition-to-Independent-Living Agreements

- Require the agency executing the transition-to-independent-living agreement to petition the juvenile court for a hearing to determine whether placement of the child in out-of-home care under the agreement is in the best interests of the child.
 - Also provide any agreement must specifically state that DCF, DOC, or the county has placement and care responsibility for the child.
 - Create an appeal procedure under which any person who is aggrieved by the failure of an agency to enter into such an agreement or by an agency's termination of such an agreement has the right to a contested case hearing under the state laws of administrative procedure.
 - Provide services during the 90 days immediately preceding the termination of a voluntary transition-to-independent-living agreement

Permanency Plan and Review

- Expands adoption assistance and subsidized guardianship payments to youth up to the age of 21, who are full-time students with an IEP, whose adoption or subsidized guardianship agreement came into effect after age 16.

Kinship Care

- Modifies extension of payments until age 21, requires as a condition for eligibility, that the child be placed in the home of the kinship care relative under either an order of the court or under a voluntary transition-to-independent-living agreement.

Caretaker Supplement

- Reduce funding for the caretaker supplement by \$2,349,800 annually to reflect a re-estimate of program costs.

Community-Based Residential Facility Exception

- Removes licensing requirement for CBRF for foster homes, group homes, and residential care centers to provide care to teens aging-out and moving to voluntary transition-to-independent living agreement, under a juvenile court order, or responsibility of another state. All other foster homes, group homes, and residential care centers would continue to be licensed as such by DCF.

Domestic Violence

- Provides \$5 million in 2016-2017 to DCF for additional grants to shelters that help victims of domestic abuse and their families.

Human Trafficking

- Provides \$2 million FY 16-17 to DCF to increase services to child sex-trafficking victims, especially in rural areas of the state.

ECONOMIC SUPPORT AND CHILDCARE

W2 Lifetime Benefits

- Reduces time limit from 60 months to 48 months, with some exceptions for hardships

Drug Testing

- Drug testing, screening, and treatment for those receiving unemployment, or public assistance in certain work based programs at DCF.
- Upon failure to pass initial drug test, participant would remain on benefits, but be placed in treatment. If a random drug test, given while undergoing treatment, is failed, then there is only one opportunity to restart treatment and remain on benefits

Sanctions

- Removes requirement to provide written notice of action that would result in a 20% or more reduction in benefits or termination of eligibility, the reasons for the proposed action, time to rectify the deficiency, failure, or other behavior, and removes authority from DCF to promulgate rules to establish procedures for notice and rectification by the participant.
- Modifies the behaviors that constitute refusal to participate, to specifically define the criteria for which sanctions may be imposed.
- Modifies the composition and role of all community steering committees in the W2 program to focus on jobs and work participation.

Community Steering Committees

- Modifies the composition and role to focus on jobs and work participation.

Wage Subsidies

- No longer requires that Trial Employment Match Program (TEMP) wage subsidies, paid to the employer, be at least the minimum wage. After negotiated subsidies are reached, the employer would be responsible to pay the TEMP participant at least the minimum wage and for all wage amounts exceeding the subsidy
 - Enable DCF to negotiate the subsidies paid to employers of participants in the Transform Milwaukee jobs program and Transitional Jobs program. The employer would be responsible to pay the TEMP participant at least the minimum wage

Learnfare

- Extends the requirement for case management, to participants, who have been unable to participate in activities due to the child's school-related problems

Transitional Job Expansion

- Provide additional \$3,000,000 in funding and expand to other areas with special needs that DCF determines should be given priority, no longer just high unemployment and high poverty areas

Wisconsin Shares Subsidy Program

- Modify expenditure authority in the amount of -\$6,788,100 in 2015-16 and \$12,043,400 in 2016-17 for direct child care service, due to underestimations and increases in 2016-17 due to implementation of the electronic benefit transfer (EBT) parent pay initiative

Child Care

- Increase in funding for primarily reflects implementation of the EBT parent pay initiative in Wisconsin Shares, including: (a) \$2,279,700 in 2015-16 and \$1,397,500 in 2016-17 for information technology upgrades; and (b) \$600,000 in 2015-16 and \$210,600 for vendor costs.
- Exempts child care providers from the four-year background information requirement for all caregivers and non-client residents and instead obligates them to require any new caregiver or non-client resident to complete the form.
- Also exempts child care providers applying to continue or renew a license, certification or contract from completing a background information form.
- Parents will receive EBT card to pay child care providers starting FY 2016-2017.

Child Care Quality Rating

- Increase funding by \$1,158,000 annually to fully fund the contract costs of the child care quality rating and improvement system (YoungStar).

Kinship Care

- Increase of \$448,300 in 2015-16 and \$660,600 in 2016-17 based upon re-estimate of caseloads, the monthly rate is \$232.

Caretaker Supplement

- Reduce funding for the caretaker supplement by \$2,349,800 annually to reflect a re-estimate of program costs.

Emergency Assistance

- Reduce funding for emergency assistance by \$100,000 in 2015-16 and \$200,000 in 2016-17 based on re-estimates of need.
- Changes law to require DCF to recover overpayments of emergency assistance from the W-2 agency, by offsetting the agency's contract.
- In the case of an overpayment resulting from a misrepresentation by the participant, recovery would be made from the participant by any legal means.

Racine and Beloit

- Provides an extra \$1 million FY 15-16 and \$2 million FY 16-17 for DCF to establish job programs, similar to Transform Milwaukee Jobs, in Racine and Beloit, as well as in high-need rural areas.

Fostering Futures

- Provides \$72,800 in FY 15-16 and \$457,400 in FY 16-17 and 1.0 FTE position for a state coordinator to create the Fostering Futures: Connections Count initiative.

Child Welfare Prevention Services

- Reduce funding by \$200,000 for child abuse and neglect prevention services in Milwaukee County.
- Funding was previously made available for supervised parental visitation programs but went unused.

CHILD SUPPORT

- Eliminate \$194.50 filing fee, when paternity has been voluntarily established, to determine child support, legal custody and physical placement of a child.
- Filing fee, in most cases, is not currently being collected and applies to roughly 6,000 cases per year.
- Require banks to pay child support levies, submitted directly to them, by other states and no longer requiring DCF to be an intermediary
- Allow state income continuation insurance (ICI) benefits and, if the person's occupation is law enforcement or fire-fighting, duty disability benefits to be assigned to satisfy child support obligations, including arrearages.
- Requires DCF to report, at least once a year, delinquent payments of centralized receipt and disbursement (CR&D) fees to DOR, in cases in which the child support payee does not receive services from county child support agencies.

TRANSFERS

- Transfers 1 vacant position to DOA for IT and procurement
- Transfers the administrative responsibilities for Youth Aids from Dept of Corrections to DCF beginning Jan 1, 2016.
- Transfer the Read to Lead Development Council and its appropriations (\$23,600 GPR annually) to DCF.

CONSOLIDATION

- Deletes 1.0 position related to marketing or communications, associated funding (\$62,800 annually) would be reallocated from salaries to supplies and services.

WORKFORCE DEVELOPMENT

Michelle Bryant (L. Taylor) & Kelly Becker (Erpenbach)

STANDARD BUDGET ADJUSTMENTS

- Cuts 69.0 positions in 2015-16
 - Removal of non-continuing elements
- Cuts 84.0 Positions in 2016-17
 - Expiration of primarily federally funded project positions, including unemployment administration employment assistance and workforce investment positions.

WISCONSIN FAST FORWARD

- Transfers \$3M annually to DWD and the authority to administer a career and tech educational incentive program from DPI
- Eliminates DPI's career and tech educational incentive grants program
- Eliminates youth apprenticeship training grants program, started in 1991, which hasn't been funded since the 1997- 99 budget
- Changes eligible use of Wisconsin Fast Forward training grants to include hiring and training of apprentices
- Transfers \$100K annually to DWD with 4.0 positions

UNEMPLOYMENT INSURANCE BENEFITS (UI)

- Creates a \$500,000 substance abuse treatment biennial appropriation, beginning 2016 -17, to fund substance abuse treatment for UI claimants
- Creates controlled substances testing GPR biennial appropriation, no funds appropriated for 2015 - 17
- Adds drug testing for those receiving unemployment insurance benefits, as well as testing applicants for certain services offered through the Workforce Innovation and Opportunity Act and Division of Vocational Rehabilitation.

Program Parameters

- Require DWD to establish a program to test claimants, who apply for regular unemployment benefits

Drug Testing Program

- If claimant declines to take the drug test, they are ineligible for UI benefits for 52 weeks after the date of the declining or until the claimant qualifies for benefits in a subsequent benefit year, whichever occurs later.
- If claimant takes the test and it is negative, may not be required to submit to any further test for the presence of controlled substances until a subsequent benefit year.

Application

- Drug testing programs wouldn't take effect until the Department has made known certain rules to establish the programs.

- Direct DWD to submit to the LRB for publication in the Wisconsin administrative register a notice identifying the date of implementation.
- The DWD Secretary could waive compliance with any provision creating the UI drug testing program if it is determined that a waiver is required for grants to the state under Title III of the federal Social Security Act or for maximum credit allowances to employers under the federal Unemployment Tax Act
- Federal law allows a claimant to be drug tested if, (a) they were terminated from their most recent job because of illegal use of a controlled substance or (b) is an individual for whom suitable work, as defined under state law, is only available in an occupation that regularly drug tests, as determined by the federal government. As of February 20, 2015, final federal regulations have not been issued.

Increases penalties for unemployment insurance fraud

- \$2500 or less, Misdemeanor not to exceed a \$10,000 fine or up to 9 months in prison, or both
- Exceeds \$2500 up to \$5000, Class I felony (up to 3.5 years in prison and a \$10,000 fine)
- Exceeds \$5000 up to \$10,000, Class H felony (up to 6 years in prison and \$10,000 fine)
- Exceeds \$10,000, Class G Felony (up to 10 years in prison and \$25,000 fine)
- Takes the penalty from a current 15% surcharge to a 40% surcharge on the erroneous payments the day after publication of the budget act (Appears that this would impact current UI overpayment cases.)
- Criminal penalties take effect for violations occurring on the 1st Sunday after publication of the budget.
- Current law provides a penalty between \$100 - \$500, up to 90 days in jail, or Both, similar to a Class B Felony

DWD must define tiered suitable work for an unemployment insurance benefit claimant based upon the length of time the claimant is receiving benefits.

UI Interest Payment

- Deleted \$14,000,000 to pay UI interest costs to the federal government. It is expected that interest owed on federal advances will be paid in full before June 30, 2015.

WORKERS COMPENSATION

- Transfers statutory/administrative functions of Worker's Compensation to the Office of the Commissioner of Insurance and adjudicatory functions to the DOA's Division of Hearings and Appeals.
- Fund Labor and Industry Review Commission
- Transfers Worker's Compensation Advisory Council, Self-Insurers Council, and the Healthcare Provider Advisory committee to OCI.
- Limits payments from the uninsured employers fund, which pays worker's compensation benefits when workers are injured while working for illegally uninsured employers.
- Eliminates supplemental benefits from worker's compensation assessments benefits from the work injury supplemental benefit fund.
- Create a \$1000 penalty for each infraction of a rule within OCI, for an employer who discriminates against an employee or refuses to rehire an employee because of a claim or attempt to claim compensation. Current penalty is \$50-\$500

- Allow Worker's Compensation application hearing notices and orders to pay an award to be e-mailed. Current law requires notices and orders to be sent by mail.
- Extend provisions in Wisconsin's workers compensation law to a student of an institution of higher education.
- Require that all testimony given at worker's compensation hearings be recorded by electronic means not a stenographer, unless the examiner conducting the hearing orders otherwise

TRANSFERS

- Transfer \$34,200 GPR and \$898,700 FED annually to reflect the shift of funding to administer independent living services from DWD's Division of Vocational Rehabilitation (DVR).
- Eliminate the DWD's obligation to award grants to state independent living centers (ILC) and transfer responsibilities, administration and \$600k in social security reimbursement funds to DHS
- Changes the transfers of the Disabled Veterans Outreach Program and Local Veterans Representative employment specialists, as well as the Veterans Grant Program to DVA, pending federal approval, instead to, pending approval of the Governor.
- Transfers the hiring of veterans with service-connected disabilities into state government from the department to the newly-created Division of Personnel Management in DOA
- Transfers 4.0 information technology infrastructure positions to DOA and deletes 6 vacant DOA positions that were comparable
- Transfer 1 vacant position to DOA for IT Procurement
- Delete 0.71 positions that have been vacant for 12 months or more

CONSOLIDATION

- Consolidates Marketing Services in Tourism, deleting 2.0 marketing and communication positions in DWD, and reallocate salaries to supplies and services
- Consolidates existing grant programs into the Fast Forward grant program and extending eligibility to the Apprenticeship Completion Award Program, Local Youth Apprenticeships Program, and career and technical education incentives for school districts (previously the Career and Technical Education Incentive grant program).

WEDC AND WEHDA

Julie Laundrie (Erpenbach) & Emily Pritzkow (Hintz)

WEDC

- **GPR** reduction of \$7.9 million unspecified each year, \$15.8 total. Reduction to base times two of \$57.1 percent total (62% of GPR and 50% of SEG).
- **Brownfield program** – Eliminates the DOA recommendations for Brownfield projects keeps DNR recommendations. Matching grants funding changes – all Brownfields projects must have 50% local matching grants under the Governor. Should be noted that WEDC policy requires in general a 30% matching grant currently. Statute sets 25%, 30% and 50% going up with the cost of the project under current law; proposal all 50%.
- **Tax Credit Modifications** – a number of changes to tax credit programs administered in part by WEDC. NEED info from GENERAL FUND TAXES.

MERGER OF WEDC AND WHEDA

- Eliminate WEDC and its \$47.7 million and transfer all authority and funds to FWDC. Under FWDC the Board no longer has any Legislators (currently 4) on it as of January 1, 2016 and no Secretary of WEDC.
- Eliminate WHEDA and its budget (generally all FED and PR) and transfer authority and funds to FWDC except eliminate authority to issue economic development loans. Eliminate the WHEDA Board which currently has four Legislators and the Executive Director of WHEDA. So two boards merged into one. Currently on two boards 8 legislators, now under FWDC none.
- Employees of WEDC and WHEDA appear to keep current employment status although unresolved is the differential treatment of earned time. WEDC creates a general account of earned time with NO sick leave to use or to convert upon retirement. WHEDA currently uses the state system for vacation and sick time, and sick leave conversion.
- WHEDA generally retains most of its statutorily under FWDC to administer programs and access GPR if necessary. However the funds generally are self-sufficient. In 2013 \$2.5 million GPR was transferred to the Wisconsin Development Reserve Fund managed by WHEDA (economic development fund)
- WHEDA seems happy they will retain the ability to keep, save and spend the “surplus” of unencumbered general reserves in housing and economic development programs. They currently submit a plan for approval for these funds known as “Dividends for Wisconsin” and spend this on longer range plans that they know are in the works etc.

FORWARD WISCONSIN DEVELOPMENT AUTHORITY

Julie Laundrie (Erpenbach) & Emily Pritzkow (Hintz)

As stated two boards, two agencies, merged authorities, positions and budgets transferred into one new authority.

- Currently, DOA is the signer of agreements for all Federal programs because WEDC, an authority, does not meet the requirements under Federal law of a governmental body. Assume this will not be the case for WHEDA in its Forward Wisconsin iteration. This is important because bonds issued by WHEDA/Forward Wisconsin are not liabilities of the state of Wisconsin per se, they are liabilities of the Federal government.

GOVERNANCE

- **Forward Wisconsin is governed by a board of 12 individuals**, none that work for the agency, only private business employees are eligible. Confirmed by the Senate. Seven members constitute a majority and allow action by the Board. Serve until withdrawn by the Governor staggered four year terms, initial appointments until they expire to create stagger. CEO appointed by Governor and confirmed by Senate. COO appointed by the Governor approved by the Board. FWDA shall report to the Legislature 30 days after creation. Legislative Fiscal Bureau access to FWDA records.
- **\$55 million** in 2016-17 for revolving loan program.
- **\$500,000 grant to Global Entrepreneurship Collective Inc.** for veterans entrepreneurial support. This program used to be in Department of Veterans Affairs and be called VetTransfer Inc. The two appear to be the same business just different subsidiaries. Creates some reporting under this program for veterans that receive the grants.
- **REMOVES the Joint Finance Committee approval** in law for the creation of a Foundation that was established in 2013 Wisconsin Act 20.

OPEN RECORDS

- Forward Wisconsin would still be subject to open records law in theory however the budget specifically gives an exemption from the open records law for records that contain: personal information, information that would jeopardize competitiveness of applicant, records in the In Force Network (their records keeping database).
- Basically takes all of the open records exemptions WHEDA has to protect applicants for home loans etc and extends those protections to businesses that receive grants/loans/tax credits from Forward Wisconsin. Even if they have never gotten a loan/grant/tax credit but are just in the Forward Wisconsin database to track prospects. It is unknown how the former WEDC will even **publish for the public** reports with these sorts of limits, which were created for people getting \$150,000 loan for a home not businesses getting \$5 million in a grant.

REPORTING REQUIREMENTS TO FWDC

- Within 120 days how funds were expended and were matching funds expended. These requirements first apply to a loan or grant made on January 1, 2016.
- FWDC is subject to WHEDA non-discrimination policies which are required by Federal law for us to be a pass thru for Federal funds.
- Current Wisconsin law for DOA and WEDC that state action must be taken if an entity has violated non-discrimination policies where the contractor can lose the contract are not maintained by FWDC so presumably a violator cannot be penalized or have a contract broken.
- Repeals the requirement that DWD and local workforce development authority board be notified is state funds will be jobs.
- LAB no longer audit finances - FWDC must be audited by Legislative Audit Bureau every two years for economic development programming. Removes the current law requirement for Legislative Audit Bureau to conduct a financial audit.

TAXATION

Emily Pritzkow (Hintz) & Tryg Knutson (Erpenbach)

GENERAL FUND TAXES

Income and Franchise Taxes

- EITC (+\$2.11 GPR)- Total funding would decrease to \$106.28 in 15/16 and increase to \$109.03 from \$106.6 base
- Veterans and Surviving Spouse Property Tax Credit (-\$1.14 GPR)- To base funding of \$32.37 would be decreased to \$31.6
- IL/WI Reciprocity (-\$4.319 GPR)- To base of \$78.8
- Internal Revenue Code Update
 - Adopts IRC provisions enacted in 2011,12,&13 with exceptions.
- Enterprise Zone Tax Credit Sum Sufficient Reestimate (-\$10.6) - From \$51.2 annual funding
- Increase number of Enterprise Zones - From 20 to 30. No fiscal impact in this budget, but would increase appropriations annually (at a total cost of \$96.5 spread over 10 years) until 2027 when impact would return to \$0.
- Jobs Tax Credit Reestimate (-\$2 GPR) - Total annual funding would decrease from \$18 to \$17.

- Consolidate Credits under Current Law into the Business Development Credit (-\$9.75 GPR Tax)- Sunsets credits and creates the refundable business development tax credit beginning in 2016.
 - Up to 10% of wages paid to an eligible employee per year, plus another 5% if employee is in an economically distressed area
 - 50% of employee training costs.
 - An amount “as determined by FWDA” of the percentage of wages if the employee’s position was created or retained because the employer retained or moved corporate HQ to WI, and that employee’s job duties involve corporate HQ functions.
 - Can allocate \$10 million/year in credits and unused \$ can be carried forward to future years.
- Limits Historic Tax Credit (-\$7.8 GPR Tax)- to \$10 million/year, with clawback requirements
- Modify Qualification Requirements for Qualified New Business Ventures- For purposes of angel and early seed investment credits. Allows WEDC to waive “one or more” of the following requirements: that half of business’ employees be in WI, that the business be HQ’d in WI, that the business have less than 100 employees, that the business agrees it not move out state within 3 years of credits.
- Creates an exception to QNBV if they move out state after receiving credit if the business was certified by WEDC before April 20, 2012 and executed a note or bond convertible to equity interest.
- Sales and Excise Taxes.
- Modifies definition of “retailer engaged in business in this state.”
- Clarifies that that operator of a distribution facility selling on behalf of a 3rd party seller is not a “retailer.”
- Delays effective date of WI Act 229 (retailer can claim deduction on bad debt thru private label credit card) in order to capture more sales tax revenue (\$21.8 GPR Tax).
- Increase funding for tobacco and cigarette tax refunds to Native American tribes by \$4.46 GPR.

DIRECT AID PAYMENTS

| | |
|---|---|
| State Aid for Tax Exempt Computers, Cash Registers & Fax Machines | GPR \$7.5 million |
| <ul style="list-style-type: none"> • Done to reflect projected changes in tax rates and the value of exempt computers, cash registers, and fax machines. | |
| Public Utility Aid – Sum Sufficient Reestimate | GPR \$2.3 million |
| County & Municipal Aid Prog. – Police & Fire Protection Rev Reest | SEG -\$2.1 million GPR \$2.1 million |

PROPERTY TAX CREDITS

| | |
|--|--------------------|
| School Levy Tax Credit Increase | GPR \$211 million |
| <ul style="list-style-type: none"> • Increase the distribution amount for the school levy tax credit by \$105.6 million | |
| Lottery and Gaming Credit Reestimate | SEG \$27.3 million |
| Homestead Credit Reestimate | GPR \$8.8 million |
| Farmland Preservation per-acre Credit Reestimate | GPR \$6.5 million |

PROPERTY TAXATION

County, Regional & City Assessment

- Creates a county-wide property assessment system, with exceptions, to replace the municipal property assessment system and the current county assessment option authorized under current law.
- Allows Regional Assessment Units if two or more counties wish to form, are contiguous, and pass county ordinances.
- Creates City Assessment Systems
- Outlines staffing, Equalized Value timelines, operating cost to be charged to each municipality, DOR Assessment Standards, Board of Review makeup, Board of Review proceedings, Assessor certification and more in the language.
- Towns, League of Municipalities, and Counties ALL oppose this – claiming it will increase costs to local governments, will waste millions of public dollars already invested in existing assessment systems, and would not equally distribute the costs of a replacement system.

Property Tax Bill Information

- Makes modifications to the information contained in tax bills that are mailed to residents.

REVENUE

Consolidate Marketing services in Tourism

GPR -1.00 FTE

- Part of the administration-wide communication position consolidation.

Extend Unclaimed Property Program Permanent Project Positions

- Extends the 2.00 FTE PR positions to June 30, 2017 (2 year extension)

Expand Auditing Activity

\$25.4 million GPR 102.00 FTE

- The dollars and 102 positions will be used to increase auditing activities and improve tax collections.

Expand Statewide Debt Collection

\$13 million PR-REV

\$11.2 million GPR-REV

\$.17 million PR 11.00 FTE

- DOR Estimates fee collection would increase \$4.5 million in 2015-16 and then \$8.4 million in 2016-17 - resulting in revenue deposit into the general fund an estimated \$3.7 million in 2015-16 and \$7.4 million in 2016-17.

Countywide Assessment

-5.00 FTE

- DOR would reduce positions by going to county-wide system.

Modifications to the Tax Refund Intercept Program

- As of January 1 any overpayment, refundable credit or refund, including any interest allowed, would FIRST go to any debts owed to states, localities, the IRS and Tribes. The current hierarchy for the order of payments are made to set off debts would be maintained.

Third-Party and Internet Auctions of Delinquent Taxpayer Property

- Permits an agent of DOR, or 3rd party engaged by agent, can hold the sale of personal property to bring the highest net bid or price, including Internet-based auctions or sales.

Debt Collection Agreements with County Boards

- Allows counties to enter into written agreements with DOR to collect revenues owed to the county in the same manner as a state agency under current law.

Lottery Sales Projections

- Project sales of \$585.8 million in 2015-16 and 2016-17. This figure is used in estimating the lottery and gaming property tax credit in the next biennium.

Sum Sufficient appropriations for Retailer Compensation & Vendor Fees

\$11 million SEG

SPORTS AND ENTERTAINMENT DISTRICT – Milwaukee Bucks Arena Facility

- Authorizes DOA to issue \$220 million in GPR-supported, state appropriation bonds to make a grant to assist a sports and entertainment district in the construction of sports and entertainment facilities used principally for professional basketball, including the acquisition or lease of property.
- The bill would also provide a net amount of \$2.8 million GPR in 2016-17 from a newly-created, annual debt service appropriation to reflect an estimate of the initial debt service payment of the bonds.

\$220 million BR

\$25.2 million GPR

\$22.4 million GPR-Lapse

\$2.8 million net GPR

TRANSPORTATION

Craig Trost (C. Taylor) & Lowell McNicholas (L. Taylor)

BUDGET SUMMARY (Total increase = 5.6%)

- | | |
|--------------|-----------------|
| • GPR -15.6% | • SEG -6.2% |
| • FED -1.5% | • SEG-L -0 |
| • PR +6.5% | • SEG-S +127.4% |

BONDING (Total = \$1.3 billion)

- | | |
|--|--|
| • State Highway Rehab \$242.4 million | • Major Highway development \$624.5 million |
| • Freight Rail \$43 million | • SE Freeway megaprojects \$392 million |
| • St. Croix Crossing/Stillwater Bridge \$30 million | • Admin. Facilities \$11.9 million |
| • Hoan Bridge \$16.8 million | • Estimated carryover \$17.5 million |
| • Passenger Rail Development -\$43 million | |

PETROLEUM INSPECTION FUND TRANSFER INTO TRANSPORTATION FUND

- Transfers \$27.3M/year from PECFA into DoT

LOCAL TRANSPORTATION AID

- General Aids
 - Increases County Aid by \$2.8M/year
 - Increases Municipal Aid by \$6.2M/year

- Mass Transit
 - Increases by \$6.3M SEG over the biennium
- Elderly and disabled county assistance
 - Increases funding by \$437,600 over the biennium (SEG)

LOCAL TRANSPORTATION ASSISTANCE

- Freight rail preservation bonding of \$43.3M over the biennium
- Milwaukee train station operations and maintenance increased by \$1.3M SEG over biennium
- Transportation facilities economic assistance and development program
 - Increased by \$2M/year this program, which provides grants to local governments for transportation infrastructure improvements related to local economic development projects.
- Transportation Alternatives Program (TAP) defunded -- \$1M/year, which was used for bike and pedestrian projects.

STATE HIGHWAY PROGRAM

- SE Wisc. Freeway Megaprojects funding increased \$450.8M biennially from SEG and SEG-S
 - Would reconstruct I-94 in Milwaukee from 70th Street to 16th Street.
- Major Highway Development Program increased by \$100M biennially (SEG and SEG-S)
- State Highway Rehabilitation
 - Pulls \$238.5M in SEG from this line item and replaces it with \$242.4M in bonding.
 - This program makes improvements to the state highway system, including state bridges.
- Major Interstate Bridge Construction – increased by \$30.9M
- Repeals statute requiring Complete Streets program, which requires all road projects to include bike and pedestrian alternatives (bike paths/lanes and sidewalks) where possible.
- Prohibits use of state money for “community sensitive solutions”
 - Eliminates state funding of projects that are “primarily related to aesthetic preferences of communities adjacent to a state project.

MOTOR VEHICLES

- Common drivers licenses (class-d)
 - Allows electronic renewal once every 16 years without having a new photo taken.
 - Raises fee of initial issuance of license from \$18-\$24 but would have length of that license extended from 3-8 years.
 - ID cards for people 65-years-old or older would only expire when the cardholder does.

STATE PATROL

- Increases recruiting class funding by \$2.3M biennially.
- Increases overtime funding by \$2.2M biennially.

BICYCLE AND PEDESTRIAN FACILITIES

- Repeal the statutory provision that requires the Department to ensure that bikeways and pedestrian ways are established in all new highway construction and reconstruction projects.
- Estimated to save the Department \$1.2 million annually.

NATURAL RESOURCES AND AGRICULTURE

Carly Michiels (Hintz) & Kelly Becker (Erpenbach)

OVERALL

- -\$45,039,600 and -67.09 FTE positions change over base year.
- **Position Reduction:** Mainly focused in science and education including 12.75 federally funded.
 - **Educators and Science Services**
 - **Vacancies:** Land and Forestry Program, Air and Waste Program (1 is filled), Enforcement and Science Program, Water Program, Customer/Employee Services.

STEWARDSHIP PROGRAM

- May not obligate moneys from the land acquisition subprogram of the reauthorized Stewardship program if the annual general fund debt service on amounts obligated under the reauthorized stewardship program exceeds \$54,305,700 (projected 2028).
- Administration officials indicate that they do not believe any of the \$176 million BR authorized for the last five years of the land acquisition subprogram could be obligated under the bill.
- Money authorized under current law until FY20 but under this bill it is not obligated.
- ➔ Stewardship funding for Kettle Moraine Springs Fish Hatchery (Sheboygan County).
 - \$14 million in existing Stewardship bonding authority from the property development and local assistance subprogram be designated for infrastructure improvements.

TRANSFERS

- Transfers intended to better align with current work performed.
- Modify the title under s. 20.370 (3) of the appropriation to read "Public Safety and Business Support" rather than "Enforcement and Science."

CONVERT NATURAL RESOURCES BOARD TO AN ADVISORY COUNCIL

- 7 member Council (membership requirements would remain the same as the current).
- Terms are 6 years (rather than staggered). In addition, the individuals who are members of the Board on the day before the effective date of the budget act are the initial members of the Council and serve terms ending on July 1 of the year in which their term on the Board would have expired.
- No policy-making role such as that under current law for approving proposed administrative rules. The Council would advise the DNR Secretary on making and implementing policy.
- Council members are reimbursed for their actual and necessary expenses incurred in the performance of their duties, but are not otherwise compensated for their services.
- The Council would not retain any of the specified oversight or review of certain projects (such as land acquisitions or land sales) of the Natural Resources Board.
- Approval of stewardship land acquisitions with proposed prohibitions of access and determinations of prohibitions of hunting, fishing, or trapping in state parks would be made by the Secretary.
- Similarly, authority to sell certain state lands and the requirement to offer at least 10,000 acres of DNR lands outside project boundaries would be shifted from the Board to the Secretary.

LOWER WISCONSIN RIVERWAY BOARD AND KICKAPOO VALLEY RESERVE → DNR

- Rather than the Department of Tourism.
- Transfer all assets, liabilities, tangible personal property, and current contracts.
- Providing for transfer of incumbent KVR employees, and preserving all rights and statutes employees may have earned prior to transfer (nothing for LWRB).

ELIMINATE GRANTS TO NONPROFIT CONSERVATION ORGANIZATIONS

- -\$2,316,600 (45,600 GPR, 2,271,000 SEG)
 - Sporting Heritage
 - Great Lakes Timber Professionals Association and WI County Forests Association
 - National Off-Highway Vehicle Insurance Services Group
 - Wisconsin Lakes
 - Great Lakes Timber Professional Association – Beginning 2006-7 funding has been provided for up to 50% of the cost for individuals pursuing master logger certification and since 2009 of up to 50% cost of receiving safety training.
 - Gathering Waters, Inc.
 - National Resources Foundation
 - Urban Forest Protection
 - Ice Age Trail Alliance
 - River Alliance of Wisconsin
 - County Forests Association
 - Wild Rivers Interpretative Center
 - Northern Great Lakes Visitor Center - Historical Society

PAYMENTS TO THE STATE LAB OF HYGIENE

- Provide \$2,662,200 GPR and require DNR to pay a fee sufficient to reimburse the lab for the costs of providing lab services.
- Transfer State Lab of Hygiene from UW System to DATCP.

PARKS FUNDING AND FEE INCREASE

- -\$9,337,600 (GPR).
- Increase vehicle admissions by \$3 and nightly state park and forest camping by \$2.
- Delete \$4,000,000 for State Park, Forest and Riverway Roads maintenance and ongoing funding.

MANAGED FOREST LAW TIMBER CUTTING NOTICES

- Delete 4 FTE positions and \$649,000 SEG.
- The bill would provide that, if the cutting is required under the terms of an MFL management plan, the owner is not required to obtain DNR approval of the cutting if the required notice of the intent to cut the timber is provided by a cooperating forester, and would require all cutting specified in that notice to begin within one year after the date on which the notice was filed.

WI WALLEYE INITIATIVE

- Delete \$2,000,000 GPR originally provided for walleye population maintenance and enhancement grants to municipal fish hatcheries.

REPEAL CAR-KILLED DEER APPROPRIATIONS

- Repeal \$701,400 GPR and \$701,400 SEG for the removal and disposal of car-killed deer from highways.

NONPOINT PROGRAM EXPENDITURES

- Reduce nonpoint source water pollution abatement grants by \$200,000 GPR annually.
- Reduce expenditure authority from the nonpoint account of the environmental fund by \$1,583,200 SEG each year, including \$813,200 SEG from urban nonpoint source (UNPS) water pollution and storm water management grants, and \$770,000 SEG from nonpoint source water pollution abatement contracts.
- Section 281.65(4g) of the statutes requires that at least \$500,000 per fiscal year must be allocated to the University of Wisconsin-Extension for contracts for educational and technical assistance regarding nonpoint source water pollution abatement. The bill would not change this requirement, although total expenditure authority would be less than this amount.

ENVIRONMENTAL MANAGEMENT ACCOUNT OVERVIEW

- Major changes that would reduce the expenditures SEG by approx \$8.3 million for biennium. Recommends lapsing \$2 million each year from annual appropriations funded from environmental management account to ensure positive account balance.
 - -\$4 million Municipal and County Recycling Grants
 - Position reductions in Recycling and Business support
 - Corrections eliminate computer recycling -\$256,200
 - UW-System funding for UW Bioenergy Initiative -\$4,069,100
 - UW funding for Extensions Recycling Education -\$394,100
 - UW funding for Solid Waste Research and Experiments -\$156,100
 - UW funding Environmental Education from Environment Assessments -\$130,500

PECFA PROGRAM SUNSET

- Sunset eligibility for PECFA by specifying that a person is not eligible for PECFA reimbursement if the person:
 - Did not notify the DNR of the discharge and the potential for submitting a claim before Feb 3, 2015 or, does not submit a claim for the reimbursement of eligible costs before July 1 2017.

DEPARTMENT OF ADMINISTRATION

Emily Pritzkow (Hintz) & Julie Laundrie (Erpenbach)

OVERALL

- DOA takes staff, equipment, assets and services and then charges back to state agencies for these services.

DEPARTMENT WIDE

- 34% increase in budget due primarily to information technology spending and transfer in of other agency positions and duties.

NEW DIVISIONS / DEPARTMENTS IN DOA

- Department of Lean Government to provide “technical services to agencies and to hold workshops” and to develop policy for government efficiencies.
- OCER transferred and reinvented in DOA. Silent on whether current people must reapply.
- Information Technology - DOA expanded information technology services with the transfer of 43 positions and \$9.8 million to be charged back to agencies. This transfer includes positions and assets currently held by the 18 agencies who are affected and lose their IT staff to DOA. Additional 5 vacancies taken from state agencies and 4 transfers from IT DWD who currently work on “infrastructure.”
- Human Resources/Procurement/Budget Operations - DOA expanded human resources, procurement, budget and finance staff with all of their assets and services and \$6.4 million to be charged back to 11 state agencies for these services. It appears all in current positions must reapply.
- Combining of the Division of Energy Services and the Division of Housing. Loss of \$1 million FED.
- Hearings and Appeals Division Expanded to affect Nearly Every Agency - DOA expanded workers compensation functions from DWD. Adjudicators at 33 positions from DWD to DOA it is specified that staff will continue in positions. Also now all hearings use video or audio – no transcripts. Allows DOA hearings division to set a price to charge to receive a copy of the proceedings in video or audio. Unclear whether or not subject of hearing will have to pay and/or whether they pay now.
- Division of Hearings and Appeals expansion continued. Converts Hearings and Appeals funding from GPR to PR so costs for hearings and appeals can be billed back to other agencies of \$4.9 million across the board to agencies. 22 positions, assumed hold since just change in funding not in location. Specifically adds in PR from DWD for Vocational Rehabilitation hearings and appeals in anticipation of increased workload. Crime Victims compensation and Sexual Assault Forensic exam hearings and appeals another \$100,000 PR and transferred services into DOA. Also added are hearings and appeals for any Historic Preservation determination.
- Office of Government Continuity created and billed back to all state agencies to provide a plan for operation in case of a disaster. Three positions transferred from three different agencies to create the office. Not stated as vacant positions, silent on staff currently in these jobs.
- Transfer of municipal filings from the Secretary of State into DOA. No staff.
- IT Security and Desktop Management Expenditure authority expansion of \$5.2 million to be billed back to state agencies across the board to “decrease risk of security breach.”
- Additional IT position and equipment transfer without Legislative oversight or approval. Employee status upon transfer shall be determined by DOA. After the staff and equipment pull to DOA the DOA can charge back for any services provided agencies after the loss of equipment and personnel.

BUILDING COMMISSION

- Restructures \$108 million in debt- This was to help close FY 2015 shortfall. Approx. \$19 million in principal and interest paid in this budget, approx. \$90 million left to be addressed.
- Significantly reduces Building Commission Authority:

- Eliminates monthly meetings, now 14 day passive review
 - Requires majority of members to request review of a request, otherwise automatic approval.
- Increases various thresholds for approval
- Transfers authority to contract for operating notes from Building Commission to DOA

POLICY CHANGES IN STATE GOVERNMENT

- Elimination of the requirement for a “cost benefit” analysis for contracting out for more than \$50,000. Currently all agencies must complete a cost benefit analysis before they enter into a contract where they contract out for services otherwise performed by state employees that examines whether it is cheaper or more expensive to contract out.
- Contractual services definition modified to eliminate info tech products or services from a central hosting location on a subscription basis from the requirements that a competitive bid be placed and other rules regarding contractual services.
- Required purchasing from prison industries rather than just offer if they have comparable product.

MISCELLANEOUS

- Bucks stadium - \$2.8 million in appropriation bonds. Paid early and then lapse into the general fund for that early payment.
- One-time \$8.1 million to HUD for ineligible projects. Four Doyle era projects authorized by Commerce that did not meet requirements of HUD.
- Repeals program for business help for local governments, -\$200,000 annual.
- Tribal funds for UWGB designated for 2016-17 deleted \$247,500 first year intact
- Extend the truck idle reduction grant program to purchase equipment to lower emissions and increase fuel efficiency to sunset in 2020. \$1 million annually SEG from petroleum fund.
- DOA Wisconsin.gov self-funded portal. Increase funding for the self-funded portal by \$2 million over the biennium. Currently the self-funded portal operates with a base budget of \$4.7 now \$6.7. Funding billed back to agencies.
- Rename the TEACH program and designate that unencumbered balances at the end of each year are transferred to PSC Broadband fund, Allow for additional data lines in the program (currently only one).

TRANSFERS OUT OF DOA

- Transfer out to PSC the State Energy office and Relocation Assistance. Services related to energy statistics and administration of energy efficiency related programs. Relocation services are provided to people who have their land taken by the state or Fed as a part of a project. Staff transfer and will not be required to serve probationary period or reapply.
- Transfer out to DFIPS business certification functions for veteran owned, women owned, and minority businesses for purposes of determinations in bidding for the state. Staff keep status in transfer. Businesses can receive marketing help.
- Transfer out Office of Business Development and Small Business Regulatory Review Board to DFIPS. Silent on staff current but additional attorney and program and policy analysis to Office of Business Development.
- Transfer out State Prosecutor office. Additionally DOA gives to DOJ the district attorney’s budget preparation authority. One position transferred (silent on status), none added for DA’s budget.

TRIBAL GAMING

- Receive and allocate as GPR tribal gaming revenues of \$47.6 million across the agencies for purposes not related to tribal gaming regulation or law enforcement. 15 state agencies in 44 program areas.
- Big ticket items: over \$1.9 million to medical assistance matching funds (FED draw) for tribal outreach and FQHC's, \$1.5 million in health services tribal block grants, over \$1.6 million for HEAB grant program for Native Americans, \$1.3 million for county tribal law enforcement, \$2.3 million for snowmobile enforcement and safety program, \$17 million to fund Tourism marketing program, \$6 million transfer in to fish and wildlife fund of conservation fund, \$1 million for veterans services and one staff, \$1.2 million for Technical College Work Based learning program, over \$600,00 for vocational rehabilitation services for tribes, over \$4 million to DOA for tribal gaming and compacts administration, just under \$300,000 to DOJ for investigative services for tribal gaming enforcement.

BONDING AUTHORIZATION

- \$324,686,600 in general obligation bonding for various state agencies \$430ish million in transportation
- Debt service on general obligation bonds \$989.7 million in 15-16 and \$963 million in 16-17.
- \$1 billion in Revenue Obligation Bonding for transportation.
- \$220 million to sports authority in appropriation obligation bonding.
- Total bonding \$1.56 billion

COMPENSATION RESERVES

- \$21.3 million in 15-17 and \$37.2 million in 16-17 for increased cost of state employee salaries and fringe benefits.

DEPARTMENT-WIDE LAPSES

- \$38.2 million as required in the last budget.

REQUIRED GENERAL FUND STATUTORY RESERVE

- Last budget changed to 2% rather than \$65,000 in 2017. This bill delays the 2% instead of \$65,000 to the 2019-2020 budget and thereafter.
- Increase the DOA "inter-fund borrowing" allowed under the law from current 8% of GPR appropriations to 12% of GPR appropriations for that year.
- Also "temporary relocation" of funds is increased to 9% in the bill from the current law 5%.

JUSTICE

Lowell McNicholas (L. Taylor) & Adrienne Roach (C. Taylor)

JUDICIAL COMMISSION

- Consolidates into Director of State Courts (under SCOW)

JUDICIAL COUNCIL

- Eliminate Judicial Council (-\$222,500 over biennium and 1 FTE)

TREATMENT AND DIVERSION

- Transfer 4.6 positions from law enforcement services to administer and evaluate TAD and drug court programs.

MILWAUKEE COUNTY CLERKS

- Funds the salaries and fringe benefits of 6.5 Milwaukee County Clerks in the Milwaukee County DA's office.

CONCEALED CARRY

- \$1.5 million to support concealed carry licensure and certification and handgun purchaser record check program.

SEXUAL ASSAULT VICTIMS SERVICES

- \$150,000 to partially support SAVS grant program

PENALTY SURCHARGE OBLIGATIONS

- Repeals exemptions for certain violations. Currently, the forfeiture fee and justice information fee are not assessed for something low like a \$10 seatbelt violation.

STATE JUSTICE ASSISTANCE GRANTS

- Provide \$1.75 million annually for grant program State Justice Assistance Grant (SJAG) to replace existing grant programs (Youth Diversion, Law Enforcement Officer, Child Advocacy Center – effective gap of -\$988,000). Descriptions of each of the eliminated grant programs:
 - *The Youth Diversion Grant Program* provided funds for organizations working to divert youth from gang activities to productive activities such as employment, recreational and educational opportunities. Funding was provided to predominantly urban areas, Milwaukee, Racine, Kenosha, ward 2 in the city of Racine, Brown County, and another organization in Racine County.
 - *The Law Enforcement Officer Grant Program* provided funds for cities to employ additional officers for beat patrolling; for cities larger than 25,000 people.
 - *The Child Advocacy Center Grant Program* provided 14 grants to child advocacy centers in 14 different counties, urban and rural (\$17,000 each).

OFFICE OF THE SOLICITOR GENERAL

- \$1 million PR in biennium for SG and 3 Deputy SG.

TRANSFER STATE PROSECUTORS OFFICE TO DOJ FROM DOA

- \$363,000 over biennium and one position to consolidate administration of prosecution services into one agency

CIRCUIT COURTS

- Delete forfeiture fee exemptions (\$25) – generate \$348,800 PR-REV, \$871,900 GPR-REV

DISTRICT ATTORNEYS

- Eliminate base funding for pay progression for ADAs (-\$7.4 million)

- Eliminates 10 prosecutor positions
- Special prosecutors must have DOJ approval
 - Limits when SP can be appointed for reason “unable to attend” to specifically health reasons
- Authorize populations of 500,000 or more to appoint up to 7 DDAs (up from 5)

PUBLIC DEFENDERS

- Eliminate base funding for pay progression for assistant SPDs (-\$4 million)
- Provide \$2.8 million in biennium for private bar attorney costs
- Provide \$5 million and 35 positions while reducing \$5 million funding for private bar and investigator reimbursements
- \$2 million over biennium for network server upgrades, broadband security, workstation security, and IT infrastructure management related to cybersecurity improvements
- Create Conflict Defender’s Office and provide \$1.5 million over biennium and 10.75 positions to represent clients in conflict of interest cases in Milwaukee, Waukesha, and Racine counties.

SUPREME COURT

- Judicial Compensation Commission: Transfer funding (\$603,200) and position authority (2) from Judicial Commission to SCOW
- Create Judicial Compensation Commission to biennially review salaries of Supreme Court justices, Court of Appeals and Circuit court judges.
- Repeals the provision stating that the salary of the Chief Justice should be different from the salaries of associate justices on the Supreme Court.

CRIME VICTIM COMPENSATION HEARINGS AND SEXUAL ASSAULT FORENSIC EXAM HEARINGS

- Repeal the requirement that DHA appoint a hearing examiner for contested cases. DOJ retains the option to enter into a contract with DHA.

CORRECTIONS

Lowell McNicholas (L. Taylor) & Julie Laundrie (Erpenbach)

CUTS TO OVERALL FUNDING

- \$139.4 million decrease in overall budget over biennium.

OVERTIME FUNDING

- \$84.3 million funding over biennium for overtime funding.

INMATE POPULATION INCREASE

- Average daily population is projected to increase each year. 22,279 (Feb. 2015), 22,300 (Average 2015-16), 22,427 (Average 2016-17).

TRANSFER TO DCF

- Transfers administration of community family and youth aids, community intervention program, tribal delinquency placements from DOC to DCF.

CREATION OF PRESERVICE TRAINING BOARD

- Board approves training program for certification of correctional officers (rather than Department).

CREATION OF INTERSTATE COMPACT APPLICATION FEE

- \$150 application fee for offenders who wish to transfer to another state.

ELIMINATION OF 3RD SHIFT TOWER POSITIONS

- Cut 60 FTE 3rd shift tower positions between 10 adult correctional institutions.

OPIOID ADDICTION TREATMENT PROGRAM

- Provides \$1.7 million over the biennium for pilot to include 100 offenders with opioid related convictions.

GPS TRACKING

- Provides \$1.2 million over biennium for tracking sex offenders and individuals who violate a domestic abuse or harassment TRO or injunction. Expected increase of 932 individuals (Feb. 2013), to 1,777 (2012-16), and 1,353 (2016-17).

CUTTING COMMUNITY CORRECTIONS GRANT

- Delete statutory provisions requiring department to provide \$50,000 annually to both Madison-area Urban Ministry and Project Return.

COURT OF APPEALS

- Provide additional \$569,000 funding for salaries and fringe benefits.

VETERANS AND MILITARY AFFAIRS

Adrienne Roach (C. Taylor) & Julie Laundrie (Erpenbach)

VETERANS TRUST FUND DEFICIT

- Expenditures exceed revenues in the Veterans trust fund by nearly \$28 million over the biennium. The Department has the authority to transfer unencumbered funds from the Veterans homes to cover the deficit. They anticipate the program revenue account balance from the Veterans homes will sufficiently cover the deficit. This is the “profit plan” to bill back to Medicaid and charge for services and use surplus to fund the Veterans Fund which has struggled since 2004.

VETERANS PROGRAMS AND GRANT FUNDING

- This budget provides over \$2.8 million dollars for the veterans assistance program which provides homeless veterans and veterans at risk of becoming homeless with assistance.
 - Provides \$768,100 segregated funding for increased cost of utilities and rent under the veterans housing and recovery program, also known as the veterans assistance program.
 - Cuts \$750,000 from the Veterans tuition reimbursement program. Base level funding \$1.4 million. Last year the program allocated \$456,000 for 114 veterans.

VETERANS CEMETERY OPERATIONS

- Reduces program revenue funding for the veterans cemetery operations based on anticipated federal funding that will cover the memorial cemetery at the State Veterans Home at King.

AGENCY TRANSFERS

- Transfers the Veterans employment grant program from the Department of Workforce Development to the Department of Veterans Affairs.
- Transfers the mortgage loan administrative function to the Department's general loan and grant administration appropriation which has no fiscal effect.
- The one-time \$500,000 VETransfer Inc. grant, created in 2013, which provided training and assistance to veterans who want to start a business, will be deleted and added to the Forward Wisconsin Development Authority. The grant will be renamed the Global Entrepreneurship Collective, Inc. The grant will come from the Forward Development Authority's general operations appropriation, instead of the Veterans trust fund.

TRAVEL EXPENSES REIMBURSEMENT

- Authorizes travel reimbursement of up to \$2,000 a year for veterans who travel to make an appearance at the request of the state. For example, veterans who travel to participate in military funerals. Base absorbed funding, none allocated.

ELIGIBILITY CHANGES

- Restricts eligibility for the Veterans homes to gold star parents, (parents of a person who has died while serving in the military). This change is made to comply with federal law. There are currently no Veterans home members who qualify solely on the basis of being a parent of a veteran.
- Eliminates the state residency requirement from the eligibility criteria for the Assistance for Needy Veterans program, which provides subsistence payments and health care assistance to veterans who meet certain, other criteria.
- Clarifies eligibility for military funeral honors to comply with federal eligibility requirements and specifies selective service eligibility.

FUNDING FOR VETERANS HOME OPERATIONS

- \$3 million in program revenue funding to purchase equipment and contractual services at the state veterans homes.
- \$804,000 of the funds will go to therapy services and equipment for members on Medicare.